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Senate sends JOBS start-up package to governor

LANSING – A bi-cameral, bi-partisan package of bills designed to provide tax breaks for small start-up businesses was passed by the Senate today, announced Sen. Tony Stamas, R-Midland.

The package is the last portion of the initial phase of the JOBS Action plan for revitalizing Michigan's economy, creating and saving jobs and spurring business investment.

"Small businesses are an integral part of our economy," Stamas said. "We know that 50 percent of small businesses will fail within the first four years of operation. We need to do everything in our power to help them survive and be successful. We must focus on providing job opportunities and a great way to do that is through long-term economic growth."

The bills are designed to encourage the growth of small firms that have the highest potential of creating future jobs and economic growth for Michigan. They would exempt certain businesses from most taxes during their first five years of business – traditionally the toughest years for businesses.

Businesses that qualify would be exempt from property taxes as well as state and city income taxes, and the Single Business Tax for five years if the firm has no net income. Qualified firms are still subject to sales and use taxes.

"I am pleased with the progress we have made," Stamas said. "We have passed a significant portion of the JOBS Action Plan. We have been working diligently on this legislation to help get Michigan working again. I look forward to seeing the governor sign these bills into law."

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